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LISTING STATEMENT No. 2168

LISTED AS AN INDUSTRIAL LISTING
ON JUNE 1st, 1964

495,971 common shares without par value
of which 25,000 are subject to
issuance
Ticker abbreviation "PL"
Dial ticker number 1488
Post section 7.6

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

PEEL-ELDER LIMITED

(Incorporated under the laws of the Province of Ontario
by Letters Patent dated the 21st day of January, 1944)

COMMON SHARES WITHOUT PAR VALUE

CAPITALIZATION AS AT MAY 15, 1964

	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Common shares without par value	500,000	470,971	495,971

Toronto, Ontario,
May 15, 1964

1. APPLICATION

PEEL-ELDER LIMITED (hereinafter referred to as the "Company") hereby makes application for listing on The Toronto Stock Exchange of 495,971 common shares of its capital stock without par value, of which 470,971 have been issued and are outstanding as fully paid and non-assessable. The remaining 25,000 common shares included in this Application have been reserved for an employee's stock option at \$10.00 per share, expiring on May 7, 1969.

The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated the 21st day of January, 1944, under the name of Elder Gold Mines Limited (No Personal Liability). By Supplementary Letters Patent dated the 10th day of August, 1946, the Company changed its name to Elder Mines Limited and its capital was reorganized on the basis of one share of Elder Mines Limited for each two shares of Elder Gold Mines Limited (No Personal Liability). On November 22nd, 1946, the Company acquired all the undertaking, property and assets of Elderidge Gold Mines Limited by exchanging one share of Elder Mines Limited for each eight shares of Elderidge Gold Mines Limited. By Supplementary Letters Patent dated the 16th day of June, 1959, the Company changed its name to Elder Mines and Developments Limited and increased its authorized capital. By Supplementary Letters Patent dated the 13th day of July, 1962, the Company changed its name to Elder-Peel Limited, and by Supplementary Letters Patent dated the 30th day of December, 1963, the Company changed its name to Peel-Elder Limited, changed its issued and unissued shares with a par value of \$1.00 each to shares without par value and consolidated all the issued and unissued shares of its capital stock on the basis of one share of Peel-Elder Limited for each ten shares of Elder-Peel Limited.

NATURE OF BUSINESS

Since incorporation in 1944 the Company has been engaged in exploration and development operations of mines, mineral lands and deposits. Commencing on March 1st, 1957, and continuing to the present time, the Company has, with the exception of a nine-month period in 1963 during shaft deepening operations, made regular shipments of ore from its mining properties located in the Townships of Beauchastel and Duprat, Province of Quebec, to the Noranda Mines Limited smelter, for treatment.

In October 1959 the Company diversified its activities and purchased all the outstanding capital stock of Peel Village Developments Limited, and through that Company and its wholly-owned subsidiaries, Shoppers' World (Danforth) Limited and Shoppers' World (Brampton) Limited, is engaged in the acquisition, development and resale of residential and industrial lands in the Town of Brampton, Ontario, and the construction and operation of a modern shopping centre located at the corner of Danforth and Victoria Park Avenues, in the City of Toronto containing 52 stores. The Company is also engaged in the construction and operation of apartment houses through its wholly-owned subsidiaries, Peel Village Apartments Limited and Lakeshore Towers of Peel Limited, and in the supplying of building and construction materials for the various projects on the properties owned or controlled by the Company and other contracting firms, through the Company's wholly-owned subsidiary, Elder Builders' Supplies Limited.

INCORPORATION AND CAPITAL CHANGES

The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated the 21st day of January, 1944, under the name of Elder Gold Mines Limited (No Personal Liability) with an authorized capital of \$4,000,000.00 divided into 4,000,000 shares with a par value of \$1.00 each.

By Supplementary Letters Patent dated the 10th day of August, 1946, the name of the Company was changed to Elder Mines Limited, the capital of the Company was decreased from \$4,000,000.00 to \$2,074,997.00, such decrease being effected by cancelling pro rata 1,925,003 of the issued shares of the Company, and the capital of the Company was increased from \$2,074,997.00 to \$3,000,000.00 by the creation of 925,000 additional shares with a par value of \$1.00 each.

By Supplementary Letters Patent dated the 16th day of June, 1959, the name of the Company was changed to Elder Mines and Developments Limited, the authorized capital of the Company was increased from \$3,000,000.00 to \$5,000,000.00 by the creation of an additional 2,000,000 shares with a par value of \$1.00 each, ranking on a parity with the existing 3,000,000 shares of the capital stock of the Company, and the objects of the Company were extended, making the Company not subject to Part IV of the Corporations Act 1953.

By Supplementary Letters Patent dated the 13th day of July, 1962, the name of the Company was changed to Elder-Peel Limited.

By Supplementary Letters Patent dated the 30th day of December, 1963, the name of the Company was changed to Peel-Elder Limited, the authorized capital was decreased from \$5,000,000.00 to \$4,999,990.00, the remaining 4,709,710 issued and 290,280 unissued shares with a par value of \$1.00 each were changed into 4,709,710 issued and 290,280 unissued shares without par value, and were consolidated into 470,971 issued shares and 29,028 unissued shares without par value, and the authorized capital was increased by the creation of an additional one share without par value ranking on a parity with the 499,999 shares of the Company without par value resulting from such change and consolidation.

OPINION OF COUNSEL

Messrs. Holden, Murdoch, Walton, Finlay, Robinson & Pepall, 2402 Bank of Nova Scotia Building, 44 King Street West, Toronto 1, Ontario, Counsel for the Company are filing in support of this Application an opinion stating among other things that:

- (i) The Company is a valid and subsisting corporation duly incorporated and organized and in good standing under the laws of the Province of Ontario, and the issued and unissued shares of the capital stock of the Company have been validly created and the issued shares have been validly issued as fully paid and non-assessable; and
- (ii) The duly authorized capital of the Company consists of 500,000 shares without par value, of which 470,971 shares are issued as cited above.

6.

SHARES ISSUED DURING THE PAST TEN YEARS

The following shares have been issued since the date of incorporation of the Company:

From Date of Incorporation
to 11 May, 1954

For Properties	1,043,750 shares	\$ 323,750.00
For Cash	1,700,305 shares	821,557.75

From 11 May, 1954
to December 30, 1963

29 May 1959	For Cash	100,000 shares	
		@ \$1.00 per share	100,000.00

16 Oct. 1959	For Shares of Peel Village Developments Limited	1,865,664 shares	
		@ \$1.10 per share	2,052,230.40
		4,709,719 shares	\$3,297,538.15

(Giving effect to Supplementary Letters Patent dated December 30, 1963)

Issued —	470,971 shares	\$3,297,538.15
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7.

STOCK PROVISIONS AND VOTING POWERS

The holders of shares of the Company are entitled to one vote per share held.

8.

DIVIDEND RECORD

The following dividends have been paid by the Company:—

Dividend No. 1	15 June, 1951	— 2¢ per share —	\$ 54,881.10
Dividend No. 2	30 June, 1952	— 2¢ per share —	54,881.10
Dividend No. 3	12 August, 1953	— 2¢ per share —	54,881.10
Dividend No. 4	29 December, 1954	— 2¢ per share —	54,881.10
			<u>\$219,524.40</u>

9.

RECORD OF PROPERTIES

The Company holds 10 Development Licenses covering 1,423.14 acres and a Certificate of Mining Concession No. 363 covering the North East Part of Lot 47, the North Parts of Lots 48 to 50 incl., and the North West Part of Lot 51, containing 247.6 acres, all situated in Range X in the Township of Beauchastel, County of Rouyn, Province of Quebec. Located on this property are 15 mine plant buildings fully equipped with machinery and equipment useful or necessary to the operation of the mine. The mine is highly mechanized and practically all ore is handled mechanically by scrapers, loaders and electric haulage.

Peel Village Developments Limited, a wholly-owned subsidiary of the Company, owns approximately 770 acres of land located in the Town of Brampton, of which approximately 224 acres are designated for industrial and commercial uses and 546 acres for residential use. A Plan of Subdivision has recently been registered covering 150 acres of the land designated for residential use, which Plan provides 617 building lots.

Shoppers' World (Danforth) Limited, a wholly-owned subsidiary of Peel Village Developments Limited, owns 17.5 acres of land located on the south west corner of Danforth Avenue and Victoria Park Avenue in the Municipality of Metropolitan Toronto, upon which is erected a modern shopping centre containing 52 stores.

Shoppers' World (Brampton) Limited, a wholly-owned subsidiary of Peel Village Developments Limited, owns 1.83 acres of land located in the Town of Brampton.

The above properties are subject to certain mortgages, particulars of which are set forth in Item 11 — Funded Debt.

The Company holds the following shares of its subsidiary companies: —

COMPANY	DATE AND MANNER OF INCORPORATION	NATURE OF BUSINESS	CAPITAL STOCK AUTHORIZED	AMOUNT ISSUED	AMOUNT OWNED BY THE COMPANY
Elder Builders' Supplies Limited	Incorporated under the laws of the Province of Ontario by Letters Patent dated 5 July, 1960	Sale of Building Supplies	30,000 Preference Shares \$1.00 par value 10,000 Common Shares without par value	7 Common Shares	7 Common Shares
Peel Village Developments Limited	Incorporated under the laws of the Province of Ontario by Letters Patent dated 26 May, 1959	Land Development	9,000 Preference Shares \$100 par value 10,000 Common Shares without par value	2,020 Preference Shares 10,000 Common Shares	2,020 Preference Shares 10,000 Common Shares

Peel Village Developments Limited, a wholly-owned subsidiary of the Company holds the following shares of its subsidiary companies: —

Shoppers' World (Danforth) Limited	Incorporated under the laws of the Province of Ontario by Letters Patent dated 8 May, 1959	Shopping Centre	2,500 Preference Shares \$100 par value 50,000 Common Shares without par value	4,000 Common Shares	4,000 Common Shares
Shoppers' World (Brampton) Limited	Incorporated under the laws of the Province of Ontario by Letters Patent dated 5 July, 1960	Shopping Centre	2,500 Preference Shares \$100 Par value 50,000 Common Shares without par value	7 Common Shares	7 Common Shares
Peel Village Apartments Limited	Incorporated under the laws of the Province of Ontario by Letters Patent dated 25 July, 1963	Construction and operation of Apartment Buildings	240,000 Preference Shares \$1.00 par value 60,000 Common Shares without par value	5 Common Shares	5 Common Shares
Lakeshore Towers of Peel Limited	Incorporated under the laws of the Province of Ontario by Letters Patent dated 18 October 1963	Construction and operation of Apartment Buildings	240,000 Preference Shares \$1.00 par value 60,000 Common Shares without par value	5 Common Shares	5 Common Shares

11.

FUNDED DEBT

The Company mortgaged its mining property and the buildings and other immoveables situated thereon as security for a loan of \$400,000.00 for development expenditures. This mortgage bears interest at 6% per annum and matures January 1, 1967. Blended repayments of principal and interest are payable at the rate of \$10,000.00 per month commencing April 1, 1964. Further payments on account of principal will depend on the earnings from mining operations during the term of the loan.

The Company has guaranteed a first mortgage loan made to Peel Village Apartments Limited (a wholly-owned subsidiary of Peel Village Developments Limited) securing the sum of \$512,000.00 for 20 years, with interest at the rate of 7% per annum, repayable in blended instalments of principal and interest. As at December 31, 1963, \$220,800.00 had been received on account of the mortgage, and the estimated amount required to complete construction of the apartment building upon which the loan was obtained was \$233,994.00.

As at December 31, 1963, mortgages payable by the Company's subsidiaries amounted to \$6,995,144.00, which mortgages mature on varying dates up to 1977, at varying rates of interest. Principal amounts on these mortgages due over the next 5 years are as follows:—

Year ended December 31, 1964	—	\$ 465,160
Year ended December 31, 1965	—	1,121,292
Year ended December 31, 1966	—	240,800
Year ended December 31, 1967	—	230,900
Year ended December 31, 1968	—	729,000

A second mortgage payable by Shoppers' World (Danforth) Limited (a wholly-owned subsidiary of Peel Village Developments Limited) in the amount of \$1,385,321.00, including accrued interest to December 31, 1963, has been guaranteed by the Company and by Peel Village Developments Limited.

The Company has also guaranteed on behalf of its subsidiaries bank advances amounting to \$302,133.00, as at December 31, 1963.

12.

OPTIONS OR UNDERWRITINGS ETC.

Pursuant to an Agreement dated May 1, 1959, Kenneth Alexander Roberts, as General Manager of the Company, was granted a cumulative right or option to purchase 250,000 fully paid and non-assessable shares of the par value of \$1.00 each in the capital of the Company at the price of \$1.00 per share, to be taken up and paid for on or before May 7, 1964, which option, after the issuance of Supplementary Letters Patent dated December 30, 1963, then pertained to 25,000 fully paid and non-assessable shares without par value in the capital of the Company at the price of \$10.00 per share. Pursuant to an Agreement dated May 6, 1964, the Company extended Kenneth Alexander Roberts' right to purchase all or any part of the said 25,000 fully paid and non-assessable shares without par value at the price of \$10.00 per share, until May 7, 1969.

13.

LISTING ON OTHER EXCHANGES

The shares of the Company are listed on the following Stock Exchanges, namely: Canadian Stock Exchange, American Stock Exchange, Pacific Coast Stock Exchange.

14.

STATUS UNDER SECURITIES ACTS

The Company has not filed or registered a prospectus with The Ontario Securities Commission or any corresponding governmental body or authority.

15.

FISCAL YEAR

The Company's fiscal year ends on December 31st in each year.

16.

ANNUAL MEETING

The By-Laws of the Company provide that the Annual Meeting of the Shareholders shall be held at the Head Office of the Company or elsewhere within the Province of Ontario at such time, on such day in each year as the Board of Directors, or the President, or a Vice-President who is a Director, may appoint.

17.

HEAD OFFICE AND OTHER OFFICES

The Head Office of the Company is Room 2402 Bank of Nova Scotia Building, 44 King Street West, Toronto, Ontario.

The Mine Office of the Company is at Noranda, Quebec.

18. REGISTRAR AND STOCK TRANSFER AGENT
- The Transfer Agents and Registrars of the Company are —
 Canada Trust Company, 110 Yonge Street, Toronto, Ontario.
 Registrar and Transfer Company, 15 Exchange Place, Jersey City 2, New Jersey, U.S.A.
- Share Certificates of the Company are mutually interchangeable at either of the aforesaid Transfer Agents and Registrars.

19. TRANSFER FEE
- A fee of 25¢ is charged for each Share Certificate on transfer or re-issue of shares, together with the customary governmental security transfer taxes.

20. AUDITORS
- The Auditors of the Company are Doe, Shaughnessy & Co., Chartered Accountants, 980 Yonge Street, Toronto, Ontario.

21. OFFICERS
- | NAME | OFFICE | ADDRESS |
|---------------------------|---------------------------------|---|
| Kenneth Alexander Roberts | President and General Manager | R. R. # 2, Pickering, Ontario. |
| Arthur Hess Honsberger | Vice-President and Mine Manager | 463 Murdock Avenue, Noranda, Quebec. |
| Charles Ferguson Watson | Vice-President | 1 Ferndale Crescent, Brampton, Ontario. |
| Percy Claire Finlay | Secretary-Treasurer | 184 Alexandra Blvd., Toronto 12, Ontario. |

22. DIRECTORS
- | | |
|---------------------------|--|
| Kenneth Alexander Roberts | R.R. # 2, Pickering, Ontario. |
| Arthur Hess Honsberger | 463 Murdock Avenue, Noranda, Quebec. |
| Charles Ferguson Watson | 1 Ferndale Crescent, Brampton, Ontario. |
| Percy Claire Finlay | 184 Alexandra Blvd., Toronto 12, Ontario. |
| William Hogle Gilleland | Apartment 632, 4000 Yonge Street, Toronto 12, Ontario. |

23. CERTIFICATE
- Pursuant to a resolution duly passed by its Board of Directors the applicant company hereby applies for a listing of the above-mentioned securities on The Toronto Stock Exchange, and the undersigned officers of the Company hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

Corporate Seal

PEEL-ELDER LIMITED

"K. A. ROBERTS",
President

"P. C. FINLAY",
Secretary.

STATEMENT SHOWING NUMBER OF SHAREHOLDERS									
Distribution of Common Shares as of April 30th, 1964.									
4,954	1	—	100	share	lots		124,599		
172	"	"	101	—	200	" "	17,501		
75	"	"	201	—	300	" "	19,711		
36	"	"	301	—	400	" "	13,116		
34	"	"	401	—	500	" "	16,321		
31	"	"	501	—	1000	" "	20,532		
41	"	"	1001	—	up	" "	259,191		
5,353	Stockholders						Total shares	470,971	

FINANCIAL STATEMENTS

PEEL-ELDER LIMITED
(formerly Elder- Peel Limited)
AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET

ASSETS

	DECEMBER 31	
	1963	1962
CASH AND BANK BALANCES	\$ 107,414	\$ 213,746
TRUST BANK ACCOUNTS (Note 2)	57,081	166,057
ACCOUNTS RECEIVABLE	145,421	238,310
MORTGAGES RECEIVABLE — due within two years	1,801,360	2,125,395
MARKETABLE SECURITIES — AT COST	43,648	39,535
(quoted market value — 1963 — \$42,805 — 1962 — \$32,128		
ORE IN TRANSIT — at approximate selling price	78,934	95,526
PREPAID EXPENSES, stores and supplies	91,860	58,136
DEPOSITS ON LAND (Note 10)	13,000	—
LAND HELD FOR SALE — cost including development expenditures	1,825,952	2,523,213
HOUSES UNDER CONSTRUCTION — cost to date	118,751	—
SHARES AND DEBENTURES OF MINING COMPANIES (Note 3)	220,939	366,517
INVESTMENT PROPERTIES:		
Apartments under construction — land and building costs to date	311,393	
Brampton Shopping Centre — land and development expenditures	210,951	214,122
Land, buildings and equipment — leased	6,383,776	6,338,697
LESS: Accumulated depreciation	(142,796)	(9,742)
	6,240,980	6,328,955
MINING PROPERTIES AND RIGHTS	329,914	329,914
BUILDINGS AND EQUIPMENT	588,142	700,171
LESS: Accumulated depreciation	(555,551)	(556,832)
	32,591	143,339
DEFERRED LEASING EXPENSE	119,800	124,456
DEFERRED MINING DEVELOPMENT COSTS, less write-offs	331,340	28,783
INCORPORATION EXPENSES	16,690	17,026
EXCESS OF PURCHASE PRICE OF SHARES OF SUBSIDIARY over book value at date of acquisition	1,849,725	1,849,725
	<u>\$13,947,744</u>	<u>\$14,862,755</u>

LIABILITIES

	DECEMBER 31	
	1963	1962
BANK LOAN AND OVERDRAFTS (Note 7)	\$ 302,133	\$ 153,455
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	521,827	1,150,231
TAXES PAYABLE ON INCOME	84,550	1,835
PROVISION FOR LAND DEVELOPMENT SERVICING COSTS	159,200	708,965
PREPAID RENTS	20,751	12,144
MORTGAGE ADVANCES (Note 6)	220,800	
MORTGAGES PAYABLE (Notes 6 and 7)	6,995,144	7,869,962
MINE DEVELOPMENT LOAN (Note 8)	400,000	—
TOTAL LIABILITIES	<u>\$ 8,704,405</u>	<u>\$ 9,896,592</u>
CAPITAL STOCK (Note 5)		
AUTHORIZED: 500,000 shares with no par value		
ISSUED AND FULLY PAID:		
470,971 shares	\$ 3,297,538	\$ 3,297,538
EARNED SURPLUS	1,167,201	1,154,025
Appropriation to provide for abatement of excess of purchase price of shares of subsidiary (see contra) based on sales of residential land owned by subsidiary at date of acquisition	778,600	514,600
	<u>5,243,339</u>	<u>4,966,163</u>
	<u>\$13,947,744</u>	<u>\$14,862,755</u>

Approved on behalf of the board:

“K. A. ROBERTS,”
Director
“P. C. FINLAY,”
Director

AUDITORS' REPORT

TO THE SHAREHOLDERS,
Peel-Elder Limited,
Toronto, Ontario, Canada.

We have examined the consolidated balance sheet of Peel-Elder Limited and its wholly-owned subsidiaries as at December 31, 1963, and the consolidated statements of income and earned surplus for the year ended on that date. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

The financial statements of the subsidiary companies have been reported upon by other auditors.

Based upon our examination and the reports of other auditors, we report that, in our opinion the accompanying consolidated balance sheet and consolidated statements of income and earned surplus together with the notes appended thereto, present fairly the financial position of the companies as at December 31, 1963, and the consolidated results of their operations for the year ended December 31, 1963, in accordance with generally accepted accounting principles.

Toronto, Ontario.
April 13, 1964

"DOE, SHAUGHNESSY & CO."
Chartered Accountants

PEEL-ELDER LIMITED

and subsidiary companies

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1963

1. The Wholly-owned subsidiary companies included herein are:
 Peel Village Developments Limited
 Shoppers' World (Danforth) Limited
 Shoppers' World (Brampton) Limited
 Elder Builders' Supplies Limited
 Peel Village Apartments Limited (incorporated July 25, 1963)
 Lakeshore Towers of Peel Limited (incorporated October 18, 1963)
2. The funds held in the Trust bank account are to be used in connection with payment for construction of services to which the Company is committed.
3. During the year the Company received settlement, as agreed, of the arrears of interest on first mortgage bonds of Eldrich Mines Limited, partly in cash and partly in shares of Eldrich. Later Eldrich Mines Limited changed its name to Canadian-Australian Exploration Limited. Subsequently the company disposed of practically all of its holding in the shares of Canadian-Australian Exploration Limited, the loss on disposal has been charged to earned surplus account.
 No interest has been accrued on the mining company debentures included in the total of \$220,939.21 (Schedule "A"). We have not been able to obtain a quoted market value on these debentures.
4. The Company resumed general mining operations late in August, 1963. Capital costs expended in extending the mine shafts, cross-cuts, etc., amounted to \$322,325.64 for the year.
5. The name of the Company was changed to Peel-Elder Limited and the authorized capital to 500,000 shares of no par value by supplementary letters patent dated December 30, 1963. Prior to this date the Company's authorized capital was 5,000,000 shares par value \$1.00 per share of which 4,709,719 shares were issued. At the time of the change the following options to purchase the old \$1.00 par share at a price of \$1.00 per share were held by an officer of the Company:
 50,000 shares within 5 years from May 7, 1959
 50,000 shares within 4 years from May 7, 1960
 50,000 shares within 3 years from May 7, 1961
 50,000 shares within 2 years from May 7, 1962
 50,000 shares within 1 year from May 7, 1963
6. During 1963, a subsidiary arranged a first mortgage loan in the amount of \$512,000 for 20 years at 7% per annum repayable in blended instalments of interest and principal in connection with apartments being constructed. At December 31, 1963 \$220,800. had been received on account of the mortgage and the estimated amount required to complete construction was \$223,994.
 Other mortgages payable mature on varying dates up to 1977 and bear varying interest rates. Principal amounts on these mortgages due over the next five years are as follows:

Year ended December 31, 1964	—	\$ 465,160
Year ended December 31, 1965	—	1,121,292
Year ended December 31, 1966	—	240,800
Year ended December 31, 1967	—	230,900
Year ended December 31, 1968	—	729,000
7. A second mortgage payable by a subsidiary in the amount of \$1,385,321 including accrued interest to December 31, 1963 has been guaranteed by Peel-Elder Limited and Peel Village Developments Limited under an agreement dated March 28, 1962. Peel-Elder Limited has also guaranteed (on behalf of subsidiaries) bank advances in the amount of \$302,133. at December 31, 1963.
8. During the year the Company arranged a loan of \$400,000 for development expenditures. The loan bears interest at 6% per annum and matures January 1, 1967. Blended re-payments of principal and interest are payable at \$10,000 per month commencing April 1, 1964. The total amount payable during the year 1964 (\$90,000.) will be applied firstly on account of interest, secondly on account of principal. Further payments account of principal will depend on the earnings from mining operations during the term of the loan.
9. No provision has been made for income taxes on the net income of the parent company, Peel-Elder Limited, which is offset by available depreciation allowances and deferred development expenditures not claimed as yet.
 Provision for taxes on the net income of a subsidiary company has been reduced by \$89,517. through application of allowable reserves against mortgages receivable. The accumulated tax deferment for 1963 and prior years amounts to \$459,653. which may become payable in subsequent years if the allowable reserves are reduced or eliminated.
10. Deposits on land includes payments of \$11,000.00 by a subsidiary re offers to purchase apartment sites at a total cost of \$320,000.00

PEEL-ELDER LIMITED
(formerly Elder-Peel Limited)
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF EARNED SURPLUS

For the years ended December 31,

	1963	1962
BALANCE, JANUARY 1	\$1,154,025	\$ 772,569
ADD: Net income for the year	\$ 314,603	663,256
Interest received following redemption of first mortgage bonds of Eldrich Mines Limited not previously accrued, less adjustment to market value of shares received as part settlement	96,519	—
	<u>\$1,565,147</u>	<u>\$1,435,825</u>
DEDUCT:		
Loss on sale of shares of Canadian- Australian Exploration Limited (formerly Eldrich Mines Limited) (Note 3)	\$92,887.	
Loss on disposal of plant and equipment acquired from Eldrich Mines Limited	35,731.	
Adjustments re prior years' cost-aid and Quebec Mining tax	5,328.	133,946
	<u>\$1,431,201</u>	<u>\$1,435,825</u>
DEDUCT:		
Appropriation to provide for abatement of excess of purchase price of shares of subsidiary over book value at date of acquisition	264,000	281,800
BALANCE, DECEMBER 31	<u>\$1,167,201</u>	<u>\$1,154,025</u>

APPROPRIATION SCHEDULE:

Balance, January 1	\$ 514,600	\$ 232,800
ADD: Appropriation for the year	264,000	281,800
BALANCE DECEMBER 31	<u>\$ 778,600</u>	<u>\$ 514,600</u>

PEEL-ELDER LIMITED
(formerly Elder-Peel Limited)
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF INCOME
For the years ended December 31,

	1963	1962
GROSS INCOME		
MINING OPERATIONS		
Gold produced and sold (Note 4)	\$ 88,329	\$ 514,109
Assistance payments under Emergency Gold Mining Assistance Act	23,802	116,597
	<u>112,131</u>	<u>630,706</u>
Cost of producing gold	117,737	485,164
GROSS PROFIT (LOSS) ON MINING OPERATIONS	<u>\$(5,606)</u>	<u>\$ 145,542</u>
LAND DEVELOPMENT AND PROPERTY OPERATIONS		
Profit on land sales	732,175	900,088
Rental income	47,924	88,944
	<u>\$780,099</u>	<u>\$ 989,032</u>
OTHER INCOME		
Interest and discounts earned	80,023	24,909
Dividends earned	1,547	832
Profit on sale of investments	—	59,958
Miscellaneous income	927	14,398
	<u>82,497</u>	<u>100,097</u>
TOTAL GROSS INCOME	<u>\$856,990</u>	<u>\$1,234,671</u>
EXPENSES		
Advertising and selling	45,048	56,928
Administrative and general — mining	\$ 68,448	
Administrative and general — land sales and properties	194,182	262,630
	<u>262,630</u>	<u>341,190</u>
Mortgage interest (less \$369,315 charged to rental income in 1963)	106,572	155,751
Interest and discounts	15,661	11,939
Depreciation of fixed assets	8,159	3,772
Amortization of deferred development expense	19,767	—
	<u>\$457,837</u>	<u>\$ 569,580</u>
NET INCOME BEFORE CORPORATION INCOME TAXES (Note 9)	\$399,153	\$ 665,091
Taxes on income	84,550	1,835
NET INCOME FOR THE YEAR	<u>\$314,603</u>	<u>\$ 663,256</u>
Note 1 — Administrative expenditures (1963) include:		
Salaries paid to directors \$42,000.		
Legal fees 48,248.		

PEEL-ELDER LIMITED
(formerly Elder-Peel Limited)
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF NET RENTAL INCOME
For the year ended December 31

	1963	1962 (see footnote)
RENTAL REVENUE	<u>\$692,360</u>	<u>\$372,327</u>
DIRECT EXPENSE		
Mortgage interest	369,315	212,888
Realty taxes	118,427	59,383
Insurance and business taxes	4,758	
Light, heat and power	10,690	
Leasing expenses	7,156	
Maintenance and sundry	1,036	11,112
Depreciation	133,054	
	<u>\$644,436</u>	<u>\$283,383</u>
TOTAL DIRECT EXPENSE	<u>\$ 47,924</u>	<u>\$ 88,944</u>
NET RENTAL INCOME	<u>\$ 47,924</u>	<u>\$ 88,944</u>

NOTE: The rental revenue for 1962 includes rentals for the year from revenue property in Peel Village and from Shoppers' World Danforth Shopping Centre for the period from the opening date May 16, to December 31.

